

EXHIBIT 1

DECLARATION OF ERIN J. ADAMS

I, Erin J. Adams, hereby declare:

1. I am the Vice Provost for Research for the University of Chicago (“UChicago”), a position I have held since September 2023. As Vice Provost for Research, I have oversight of UChicago’s office for University Research Administration, Research Safety, and Research Computing and am responsible for managing our grant portfolio as well as research compliance. In addition to my current role, I am the Joseph Regenstein Professor of Biochemistry and Molecular Biology and have been a Professor at UChicago for 19 years.
2. As the Vice Provost for Research, I have personal knowledge of the matters set forth below or have knowledge of the matters based on my review of information and records gathered by my staff.
3. I am providing this declaration to explain certain impacts of National Institutes of Health (“NIH”) Notice Number NOT-OD-25-068, *Supplemental Guidance to the 2024 NIH Grants Policy Statement: Indirect Cost Rates*, which purports to immediately reduce indirect cost reimbursements to 15%.
4. The NIH funding that UChicago receives funds critical biomedical research that leads to life-saving advances that directly impact the lives of millions of Americans. Below are examples of the impact UChicago research makes:
 - a. Cutting-edge research in areas such as pediatric and adult cancer, diabetes, cardiovascular disease, Alzheimer’s and aging, and potential treatments for adults and children with a variety of difficult-to-treat diseases and disorders. These include:
 - i. Development of the first and only efficacious intervention for individuals with primary progressive aphasia (PPA), a dementia caused by Alzheimer’s disease

or related neurodegenerative conditions that impair communication and quality of life.

- ii. One of UChicago's active, national clinical trials, 'RADIANT U54', is the leading study in the world in rare and atypical diabetes, which impacts an estimated 300,000 Americans. There are more than 2,000 research participants enrolled across the country.
 - iii. UChicago has 1,082 federally funded IRB-approved human subjects research studies, of which 111 are focused on disorders that affect children. Of those, 73 are clinical trials for childhood diseases. For example, UChicago is a leader in researching neuroblastoma, an often fatal cancer most commonly affecting children under five years of age. UChicago is currently a participating site in twelve NIH-funded clinical trials focused on understanding and treating this disease. UChicago is also active in NIH-funded clinical trials focused on treating leukemia, lymphoma, and germ cell tumors in children.
- b. UChicago's basic research funded by the NIH provides the foundation upon which new therapies and technologies are based. For example, our research into:
- i. Engineering hybrid nanomaterials that can be used for biomedical imaging for early diagnosis of cancers as well as targeted delivery of potent drugs for improved cancer therapy.
 - ii. Elucidating virulence and antibiotic resistance regulation in human pathogens with implications including targeted treatment of antibiotic resistant bacteria in hospitals.

- iii. Studying new chemical and biological phenomena that lead to pathological phenotypes and using this knowledge to guide the development of next-generation clinical therapies that harness the immune system to treat cancer, auto-immunity, and infection.
 - iv. Decoding mutations in human cancers and multi-parameter mapping of human genetic variation and how that is associated with human diseases.
- c. UChicago Medicine's Comprehensive Cancer Center (UCCCC), a National Cancer Institute (NCI) designated Cancer Center, supports research relevant to cancer origins, development and spread, prevention, treatment and cures for cancers that affect millions of Americans and their families. These include:
- i. A UCCCC initiative known as AI.Oncocure, which takes advantage of advanced artificial intelligence/computational capabilities, X-ray crystallography, and structural chemistry to discover "first-in-class" cancer-targeting compounds to be developed into cancer-treating therapeutics.
 - ii. Research utilizing artificial intelligence and machine learning approaches to improving cancer care, which leverages UChicago's world-class advanced computing resources and supporting infrastructure for data storage, security, and privacy.
 - iii. Support of over 600 open clinical trials where patients are receiving new therapies, including approximately 147 interventional trials, of which 138 are therapeutic, through the National Clinical Trials Network, a program run by the NCI to support large-scale cancer clinical trials across the U.S. It brings together researchers, hospitals, and cancer centers to test new treatments,

improve patient care, and advance cancer research. The network focuses on developing innovative therapies, comparing existing treatments, and studying cancer prevention and screening strategies.

5. This cutting-edge research is performed in specialized laboratory space. Maintenance of laboratory buildings equipped with high-tech facilities to support our researchers constitutes a considerable proportion of indirect costs.
6. In addition to supporting UChicago facilities, indirect costs also support staff with the expertise necessary to administer grant proposals and awards, ensure protections for humans involved in clinical trials and animals in research, oversee research laboratory safety and research integrity, and provide cybersecurity for our information technology networks, ensuring that sensitive data (such as identifiable health information) is appropriately protected.
7. UChicago biomedical research is supported by \$1,012,945,241 in active award authorizations from the NIH. For UChicago's fiscal year that ended June 30, 2024, NIH reimbursed UChicago for approximately \$338 million in research expenditures: \$241 million of which was for direct cost charges, and \$97 million for indirect costs.
8. UChicago has a Negotiated Indirect Cost Rate Agreement ("NICRA") with the Department of Health and Human Services, ("DHHS") effective as of 04/01/2024. The Indirect Cost ("IDC") Rate in the UChicago's NICRA is 64% of modified total direct costs for on-campus research activity.
9. UChicago negotiates its indirect cost rate with the DHHS every 4-5 years using a detailed and prescriptive methodology outlined in federal regulation. UChicago is also subject to rigorous annual audits pursuant to federal regulation, which help ensure appropriate reimbursement of its direct and indirect costs.

10. NIH's reduction of UChicago's on-campus IDC rate would eliminate approximately \$52 million in reimbursement for indirect costs that would support NIH research over the next 12 months. The loss of these funds would immediately impact UChicago's ability to draw critical funds used to pay expenses associated with ongoing maintenance of research buildings and laboratories, purchasing and maintenance of high-tech specialized equipment (such as our Titan Krios cryo-electron microscope, used to visualize protein complexes and dynamics), and support our many core facilities (i.e., shared facilities that provide UChicago biomedical researchers with specialized services and technologies) where researchers perform their experiments and graduate students are trained, among other things.
11. As stated above in 4.c.iii, UChicago currently supports over 600 open clinical trials. Clinical trials require important safety and compliance monitoring to ensure patient safety, data security, and documentation necessary for approval of new treatments. Indirect cost rate reduction will directly impact UChicago's ability to run these clinical trials and will inevitably result in their curtailment, directly impacting the participating patients and their families. Longer term, this would likely negatively impact the translation of promising therapies identified in these trials to the clinic.
12. In addition to the direct economic and scientific impact discussed above, I believe the proposed rate change will materially diminish the talent pipeline that research universities generate. In my view, a 15% indirect cost rate cap would likely result in losing talented scientific faculty to other countries that are investing heavily in research. Furthermore, these cuts are likely to impact universities' ability to train graduate students, as universities would likely limit enrollment. This would mean fewer qualified candidates to be the United States' future academic research leaders, biomedical entrepreneurs and research leads in the biotechnology

and pharmaceutical industries. I believe that curtailment of this pipeline will leave the United States less competitive across all these sectors.

13. If implemented, the NIH reduction in the IDC to 15% would result in a material reduction in research funding for UChicago. UChicago makes long-term, highly-specialized infrastructure investments in the research it supports in connection with its receipt of NIH grants. A mid-stream reduction of indirect costs would create immediate budget deficits.
14. The majority of UChicago's endowment is derived from philanthropic gifts. The use of these gifts is often legally restricted and must be used for designated purposes. Therefore UChicago is unable to use the majority of its endowment funds to offset funding losses caused by a reduced IDC rate.

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge.

Executed this 18th day of February, 2025, in Chicago, Illinois.

A handwritten signature in black ink, appearing to read "Erin J. Adams", written over a horizontal line.

Name: Erin J. Adams

Vice Provost for Research

The University of Chicago